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TAIWAN'S KEY ECONOMIC INDICATORS

All Values in US$ million
unless otherwise indicated

Exchange Rate: US$1 = NT$36.00	1979	1980 (Preliminary)	80/79 (%)	1981 Official Estimate
INCOME, INVESTMENT, PRODUCTION, EMPLOYMENT				
GNP at Current Prices	32,346	40,261	24.47	47,219
GNP at Constant 1976 Prices	26,138	27,878	6.66	29,969
Per Capita GNP, Current Prices (US$)	1,869	2,282	22.10	2,626
Medium Family Income (US$)	4,574	5,695	24.51	6,720
Fixed Investment	9,250	12,682	37.10	15,097
Foreign Investment Approvals	329	466	41.64	500
Indices (1976-100):				
Industrial Production	153.4	165.7	8.02	179.1
Agricultural Production	107.5	106.4	-1.02	109.1
Industrial Wage	160.99	194.48	20.80	232.5
Labor Productivity	137.0	149.1	8.83	156.5
Labor Force (1,000 Persons)	6,507	6,620	1.74	6,834
Unemployment Rate (%)	1.28	1.23	n.a.	1.30
MONEY AND PRICES				
Money Supply	7,075	8,475	19.79	10,000
Secured Loan Rate, Ceiling, Within One Year (%)	14.50	16.20	11.72	16.80
Indices (1976=100)				
GNP Deflator	123.75	144.42	16.70	157.56
Wholesale Prices	121.11	147.20	21.54	161.18
Consumer Prices	124.26	147.89	19.02	162.68
BALANCE OF TRADE AND PAYMENTS				
Balance of Payments (Basic)	550	-174	n.a.	160
Balance of Trade	1,329	77	-94.21	-130
Exports, FOB	16,103	19,811	23.03	24,020
U.S. Share	5,652	6,761	19.62	8,000
Imports, CIF	14,774	19,733	33.57	24,150
U.S. Share	3,381	4,673	38.21	6,000

Value of Major Imports from U.S. in 1980: Machinery Equipment, 864; Chemicals, 620; Electronic/Electrical Goods, 521; Transportation Equipment, 294; Soybean, 292; Cotton, 229; Maize, 352; Wheat, 153.

SUMMARY AND OVERVIEW

Taiwan continues its strong economic performance. Economic growth was 6.7 percent in 1980 and is expected to be between 6 and 7 percent in 1981. In 1981, industrial production should increase by 8.1 percent, agricultural production by 2.5 percent, and real investment by 9 percent.

Foreign trade, an important sector of Taiwan's economy, is suffering somewhat. The Board of Foreign Trade expects a trade deficit of about $130 million in 1981--the first since 1975. Taiwan will, however, still realize a surplus of about $2 billion in trade with the United States.

An important development in Taiwan's economic policy is trade diversification. Taiwan has successfully courted the European, African and Latin American markets. Two-way trade with Europe was $4.99 billion in 1980 and is expected to increase to $6.20 billion in 1981, not including a long-term $500 million transaction with the Netherlands. The expansion of trade with Europe has resulted in the establishment of six European banks in Taiwan.

The policy of diversification also extends to energy. Taiwan has been shifting from oil to coal and nuclear power, which, along with energy conservation measures, appears to have had some beneficial effect. In 1980, the growth of energy consumption divided by the growth of real GNP dropped below one for the first time--to 0.97, compared with 1.17 in 1979 and 1.34 in 1978.

Another development is the emphasis on stimulating technology-intensive industries. This policy will decrease the unemployment and underemployment of skilled workers--the only labor problem in Taiwan. Overall unemployment reportedly averaged 1.23 percent in 1980. Inflation is high. In 1980, the Consumer Price Index rose by 19 percent, the wholesale price index by 21.5 percent, and the GNP deflator by 16.7 percent. In 1981, we expect inflation to be about 13-15 percent.

The economic relationship between the United States and Taiwan will continue to grow. Despite Taiwan's trade diversification, the United States will remain Taiwan's number one market for exports and is approaching Japan as Taiwan's number one supplier of imports. On the other hand, Taiwan may begin to compete with the United States in certain high-technology exports when its policy of stimulating technology-intensive industries begins to show concrete results. Serious competition, however, will be 5-10 years in the future.

CURRENT ECONOMIC SITUATION AND TRENDS

ECONOMIC GROWTH: Despite rising oil prices and a reduced rate of increase in exports, Taiwan's economy still realized a growth of 6.7

percent in real GNP in 1980. In comparison, the United States' real GNP declined by 0.1 percent and Japan's real GNP rose by 4.2 percent.

In 1981, we expect that growth will be about the same as in 1980. At the beginning of the year, the official target was for a 7.5 percent growth in real GNP. After a growth rate of only 5.3 percent in the first quarter, officials are now talking about 6.5 percent as a more realistic annual target. The surprising 8.4 percent growth in the United States in the first quarter will help stimulate Taiwan's economy in the second half of 1981.

With an expected real growth of about 6.5 percent for 1981 and with an estimated inflation rate of 14 percent (GNP deflator), Taiwan's GNP at current prices is projected to be $48.9 billion in 1981, showing a nominal growth of 21.4 percent. Per capita GNP will exceed $2,718, trailing only Japan, Hong Kong, and Singapore in East Asia.

Despite continued GNP growth, the profit margins of nearly one-half of the 100 companies listed on the Taiwan Stock Exchange tumbled sharply last year; most textile manufacturers posted significant losses. The average dividend per share in 1980 was slashed from 1979's NT$15 to NT$2.80 for Formosa Plastics, from NT$13 to NT$2.30 for Nan Ya Plastics, and from NT$6.30 to NT$2.20 for USI Far East.

PRODUCTION

AGRICULTURE: In 1980, agricultural production was down by 1.02 percent because of a summer drought. The drought almost dried up the reservoirs and caused water rationing to be adopted in several large cities, including Taipei and Tainan. Drought in early 1981 delayed the planting of the first rice crop, but agricultural production is still expected to increase by 2.5 percent over 1980. In 1980 crop production, including rice, declined by 1.8 percent from the 1979 level. Forestry decreased by 5.9 percent because of depletion of resources. Livestock, despite falling prices, rose by 0.3 percent. Fishing, despite rising fuel costs, advanced 1.2 percent.

INDUSTRY: In 1980, industrial production increased by 8 percent over 1979, down slightly from the 8.8 percent rise in 1979. We expect industrial production to grow by 8.1 percent in 1981.

Manufacturing: A number of industries suffered setbacks in 1980. Plywood and furniture, which depend heavily on the robustness of the construction industries in the United States and Europe, had the sharpest drop--18.7 percent--followed by household appliances--17.4 percent--and machinery--7.9 percent. The plywood industry is also having problems with supply because Indonesia, Malaysia, and the Philippines have restricted log exports.

The petrochemical industry is also in trouble. Domestic prices of petrochemical feedstocks are much higher than in the international market; thus downstream plastics and synthetics, which are required to buy raw materials on the domestic market, are losing their competitive edge.

The footwear industry, however, is thriving. In 1980, nonrubber footwear exports increased 55 percent and production by 11 percent over 1979. This industry's success is due mainly to market diversification to Latin America and Western Europe. Taiwan's Orderly Marketing Agreement with the United States on nonrubber footwear ended on June 30, 1981.

The automobile industry is also growing rapidly. For 1980, automobile production was 132,580 units, a growth of 14 percent over 1979. Although this growth was much less than the 50 percent realized in 1979, the outlook for Taiwan's automobile industry is still bright because of rising per capita income (up 440 percent since 1970) and growing export markets.

Mining: The mining sector grew by 4.6 percent in 1980, despite a decline in coal production (Taiwan's main mineral product). This decline was made up by increases in the production of quarry stones, such as marble. For 1981, the mining sector is expected to grow by 4.5 percent.

Public Utilities: The public utilities sector grew by 7.6 percent in 1980 and is expected to increase by 8.8 percent in 1981. This increase is based on the assumption that there will be no loss of hydroelectric power from drought.

Construction: We also expect to see a significant increase in housing construction. Investors are continuing to pump funds into real estate because of rising housing prices and despite high interest rates. Single-family housing prices increased by 13.6 percent in 1980 and by 32.4 percent since 1978.

INVESTMENT: Real investment in 1980 rose by 14.2 percent, slightly more than the 14.1 percent in 1979. For 1981, however, because applications for expansion and for new foreign companies in 1980 were 3.5 percent less than in 1979 and because domestic investment will slow down unless exports begin to pick up, we expect an increase of only 9 percent.

Much of the slack in private investment will be taken up by increases in public investment as the authorities continue their efforts to make industry more capital and technology intensive. Capital-intensive projects include the $200 million joint venture between Taiwan Machinery Manufacturing Company and General Motors to produce heavy trucks. Technology-intensive projects include eight

new firms in the Hsinchu Science Park, an industrial area devoted to technology-intensive industries. These are in the fields of mini-computers, integrated circuits, micro-processors, and high-pressure flow cutting instruments. Joint ventures have also been formed to develop the capability of making turbine generators (General Electric) and design services for nuclear power plants (Ebasco-CTCI Corp.).

FOREIGN TRADE: In 1980, Taiwan's foreign merchandise trade was approximately in balance; there was a slight surplus of $77 million. In 1981, because of slowdowns in exports, we still expect trade to be again about in balance. The primary reason for slower growth in exports is the slowdown in the economies of Taiwan's major export markets. Other reasons include the 23.1 percent appreciation of the U.S. dollar (to which the NT dollar is pegged) with respect to all major currencies from December 1979 to February 1981 and the reentry of Korea as a serious competitor in Taiwan's export markets.

In 1980, Taiwan's exports were valued at $19.8 billion, an increase of 23 percent over 1979, and imports were $19.7 billion, an increase of 33.6 percent over 1979. Much of the increase ($2.3 billion) in imports was caused by rising oil prices. In 1980, Taiwan imported $4.7 billion worth of oil, 94.4 percent more than the $2.4 billion in 1979. Meanwhile oil's share of total imports jumped from 16.5 percent to 24 percent. Had oil imports stayed at the 1979 level, Taiwan would have realized a trade surplus of $2.38 billion in 1980.

Textiles and electronics dominated exports, accounting for nearly 40 percent of Taiwan's total exports. In 1980, textile exports were $4.20 billion, and electronic and electrical goods exports were $3.63 billion with annual growth rates of 18.3 percent and 28.7 percent, respectively.

In 1980, terms of trade deteriorated sharply. Import prices rose 22.2 percent over 1979, while export prices rose by only 8.3 percent.

U.S.-TAIWAN TRADE: Taiwan continues to be an important trading partner of the United States, being our 10th largest market for exports, our 8th largest source of imports, and our 7th largest trading partner overall. Since 1967, Taiwan has continuously had trade surpluses with the United States--$2.1 billion on exports of $6.76 billion and imports of $4.67 billion. In 1981, we expect Taiwan to have a surplus of about $2 billion with the United States.

To bring about more balanced trade with the United States, Taiwan continues to pursue its "Buy American" policy. Since early 1978, Taiwan has sent six buying missions to the United States, signing contracts valued at $4.5 billion.

TAIWAN-JAPAN TRADE: With Japan, Taiwan's trade problem is the opposite of that with the United States. In 1980, Taiwan's exports to Japan were $2.17 billion, down 3.4 percent and imports were $5.35 billion, up 17.4 percent, increasing Taiwan's trade deficit with Japan to $3.18 billion from the $2.31 billion in 1979. The chronic trade deficits with Japan have prompted Taiwan to suggest that Japan initiate a series of "Buy Taiwan" missions.

TAIWAN-EUROPE TRADE: Declining exports to Japan and concerted efforts to woo the European market has caused Japan to slip in importance as a market for Taiwan exports. The EC replaced Japan as Taiwan's second largest market for exports in 1980: exports to the EC jumped 36.6 percent over 1979 to $2.77 billion, compared with the $2.17 billion in exports to Japan.

To help service expanding European trade, Taiwan has given approval for six European banks to set up branches in Taiwan. Five of them had opened by the end of 1980. They are Grindlays (U.K.), Banque de Paris et des Pays-Bas and Societe Generale (France), European Asian Bank (Federal Republic of Germany), and Hollandsche Bank Unie N.V. (Netherlands). The sixth European bank, Lloyds (U.K.) opened in Taipei in April 1981. Taiwan's efforts to diversify its export markets may have succeeded too well with the EC for in 1980 Taiwan had a surplus of $1.18 billion with the EC. In order to help alleviate this problem, high ranking officials, including Economics Minister K. S. Chang, Finance Minister C. C. Chang, and Board of Foreign Trade Director H. K. Shao were sent to visit Europe to implement a "Buy European" policy, and a "Buy European" mission is now being planned.

These visits have resulted in Taiwan's buying four Airbuses and lifting the ban on imports of compact European cars. In addition, China Steel signed a $13 million contract to buy steel mill facilities from France.

Trade diversification efforts have also been made with other countries in Africa, the Middle East, and Latin America, resulting in many machinery display centers being established in those areas. Furthermore, Taiwan lifted the ban on trade with five East European countries in late 1979, and as a result, Polish ships are now allowed to call regularly in Taiwan.

The largest transaction was a $500 million contract with a Netherlands firm for construction of the two submarines and for the purchase of machinery. Taiwan subsequently sent a trade mission to the Netherlands to contract for another $100 million in purchases.

LABOR: Taiwan is near full employment. By the standard definition of cyclical unemployment, Taiwan's unemployent rate was 1.2 percent

in 1980. Using a slightly broader definition to include those intending to work but not seeking work would bring the rate to 2 percent.

At near full employment Taiwan is able to maximize output by its labor force. Moreover, labor productivity has been growing faster than real wages (wages divided by the Consumer Price Index). In 1980, industrial labor productivity increased by 8.8 percent, up from 7 percent. Although this growth is impressive, it is much less than the 19 percent growth in productivity realized in 1978. Meanwhile, nominal manufacturing wage rates increased 20.8 percent in 1980, but, after accounting for inflation, real wages rose by only 1.5 percent. In 1979, nominal wages rose by 18.6 percent and real wages by 8.1 percent.

The ability to increase labor productivity faster than real wage rates has enabled Taiwan to maintain its export competitiveness.

For the last 20 years, Taiwan has depended on low-wage labor in its export-driven economic growth. During this period, the plan was to stimualte labor-intensive industries in order to reap the maximum benefits from inexpensive labor. By encouraging the establishment of industries such as textiles and the assembly of electronic and electrical goods, Taiwan enjoyed an average annual growth rate of 9.8 percent from 1960 to 1980. To this day, these labor-intensive industries remain the backbone of Taiwan's economy, absorbing primarily low-skilled farm labor. However, as a result of rapid increases in the education level, unemployment among skilled workers has become much higher than that of unskilled workers. In December 1980, the ratio of job-seekers to job vacancies among primary school graduates was only 0.19. For college graduates and above, the ratio was 2.6.

Thus one problem with the current industrial structure is the slow rate of absorption of skilled workers. Economic planners, long aware of this problem, are actively pursuing a drive to develop technology-intensive industries, not only to improve Taiwan's competitive edge but also to provide job opportunities for skilled workers.

Overall, unemployment is low; labor productivity is growing faster than real wages; strikes are not allowed; collective bargaining is nonexistent; and at present the legal minimum wage is irrelevant--that is, current wage levels are higher than the legal minimum wage.

ENERGY: In foreign trade, rising oil prices first caused Taiwan to have a trade deficit in 1975 and more recently reduced 1980's trade surplus to only $77 million from $1.33 billion surplus in 1979.

Rises in oil prices also have a detrimental effect on growth. Since the oil crisis of 1973-74, the price level in Taiwan has risen 153 percent (December 1973/December 1980), and the slowdown of economic growth in 1980 can be mainly attributed to rising oil prices.

Perhaps the most detrimental effect of rises in oil prices is the high degree of uncertainty introduced into the economy. Taiwan, an island economy, depends on foreign sources for raw materials and energy. An interruption of oil supplies or an unforeseen sharp increase in oil prices could cripple the economy.

In order to enable the economy to better absorb future shocks from changes in oil prices, Taiwan began to pursue an energy diversification policy several years ago to reduce its dependence on oil and to reduce its dependence on the Middle East. Several of Taiwan's oil-fueled power generators have been converted to use coal. Two nuclear power reactors are in operation and four others are under construction. Twenty-four coal-fired power generators and 14 more nuclear reactors are planned or will be under construction by 1989. Finally, major industrial energy users such as cement makers and glass manufacturers are being encouraged to change from oil to coal as an energy source. Consequently, imports of coal and uranium have increased substantially in recent years and are expected to continue to increase in the future. By 1989, coal is expected to account for 28.3 percent and nuclear power for 13.7 percent of total energy. (In 1980, coal accounted for 15.7 percent and nuclear power accounted for 5.8 percent.) Petroleum's portion of total energy is targeted to decrease to 48.8 percent in 1989 from 71.3 percent in 1979 (68.6 percent for 1980). The trend toward less dependence on oil will continue unless there are dramatic changes in the supplies of various types of energy.

Diversification of energy supplies by geographical areas is also underway. Kuwait and Saudi Arabia are Taiwan's major oil suppliers. Their daily oil supply to Taiwan of 280,000 barrels accounts for 80 percent of Taiwan's total oil imports. Although they will remain Taiwan's main oil suppliers in the foreseeable future, Taiwan is trying hard to secure oil supplies from other sources: The Chinese Petroleum Corporation (CPC) has contacted Mexico about procurement, and CPC has imported 30,000 barrels of crude oil from Nigeria on a trial basis. Taiwan has entered into a cooperation contract with the Philippines to engage in oil exploration; negotiations with Indonesia to build a naphtha cracker in Indonesia are underway; and CPC plans to invest in a petroleum refinery plant in Hawaii with Pacific Resources. As for coal, Taiwan has signed long-term contracts with Canada, South Africa, Australia, and the United States. An agreement also has been reached to exploit coal in the Philippines.

INFLATION, MONEY SUPPLY, AND INTEREST: Inflation was high in 1980, fueled by an increase of 22.2 percent in import prices and 72.2 percent in oil prices. The GNP deflator increased by 16.7 percent; the Wholesale Price Index went up by 21.5 percent; and the Consumer Price Index rose by 19 percent. The announced official inflation target for 1981 is 9.5 percnt, but we expect that 13-15 percent is more realistic.

Money supply has been under control in 1981. It had an annual growth of 19.8 percent as of the end of December 1980, falling within the 15-20 percent range considered normal by monetary authorities.

The ceiling on interest rates on commercial loans rose to 16.8 percent in January of 1981, partly in an effort to stem short-term capital outflow. In the early part of 1980, the rates on secured loans, 13.5 percent to 14.5 percent, and on export loans, 10 percent, were much lower than the prime rates in the United States, contributing to a net outflow of $236 million in short-term capital in 1980. This outflow was lower than the net outflow of $421 million in 1979 but sharply different from the $84 million inflow in 1978.

In recent years, Taiwan has had an average inflow of $400 million per year in long-term capital. In 1980, there was an inflow of $1.2 billion in long-term capital with $1.6 billion expected in 1981 as Taiwan continues to borrow funds to build up its infrastructure--including power plants, railways, and port facilities. Investment is also needed for the development of heavy industries--including heavy truck manufacturing, petrochemicals, electrical and non-electrical machinery, computers, and sophisticated electronic products.

Taiwan, with its good credit rating, will not have any difficulty raising the necessary funds despite losing membership in the International Monetary Fund and the World Bank. Taiwan's debt service ratio (interest and principal payments over exports) is very low--.063 in 1979 and .050 in 1980.

By the end of 1979, Taiwan's outstanding total external public debt was $5.08 billion. It increased to $5.70 billion at the end of 1980 and is expected to exceed $6 billion in 1981.

Taiwan's external funds come largely from the Export-Import Bank of the United States (Eximbank) and U.S. commercial banks. They provided 45 percent of the long-term loans borrowed by Taiwan in 1980. However, European financial institutions are playing an increasing role in the financing of Taiwan's long-term capital. Indications of this trend include the arrival of six European banks, the successful floating of $25 million worth of floating rate notes by Taiwan's Bank of Communictions in London, and agreements between the Bank of Communications and five European banks to provide loans totaling $60 million for imports of machinery from Europe.

IMPLICATIONS FOR THE UNITED STATES

The United States no longer is uniquely favored among Taiwan's trade partners. American suppliers are still favored for official purchases, particularly over Japanese suppliers, and a "Buy American" policy is still in operation. However, Taiwan is increasingly supplementing its "Buy American" program with a "Buy European" thrust. This "Buy European" policy has the dual purpose of forestalling restrictive European trade policies in retaliation for Taiwan's growing trade surplus with Europe and also of demonstrating to European governments that there can be important economic payoffs for improved general relations with Tawian. A March 1981 trade mission to the Netherlands, which purchased some $100 million worth of Dutch products, was clearly in response to the Netherlands' decision to allow a Dutch company to sell two submarines to Taiwan. (At approximately the same time, Taiwan's Sixth Buying Mission to the United States since 1978 contracted for $1.2 billion worth of U.S. products.) Other commercial contracts, some of considerable size, will be going to the Netherlands as well.

In the near term, European companies are likely to prove formidable competitors in the Taiwan market. It should be remembered, however, that with Taiwan's total two-way trade continuing to grow at a robust rate, the absolute volume of U.S. trade with Taiwan will continue to grow, albeit at a somewhat slower rate, and the growth rate of American exports is likely to be somewhat higher than the growth rate of American imports from Taiwan. The U.S. market share, however, may decline as a result of gains by Europeans firms.

In the longer term it seems likely that the major competitors in the Taiwan market will continue to be the United States and Japan. The large number of Taiwan professionals trained in the United States, their familiarity with and respect for American products and technology, and the widespread use of American-supplied equipment all combine to give the United States a built-in competitive advantage over the Europeans.

Improving living standards and greater discretionary income will improve the outlook for export of American agricultural and consumer goods. Taiwan's drive to change the profile of its industry from labor intensive to technology intensive and to improve energy efficiency can also open up or improve the U.S. market position.

Taiwan will continue to be an attractive site for the location of offshore manufacturing facilities by American firms. Increasingly, however, the lure will not be low wages, but rather a highly productive, well-educated work force. Taiwan's policies will strongly favor those manufacturers or suppliers of services who can be described as "high technology" lines.

The near-term outlook is particularly good for agricultural products, energy-intensive/semiprocessed raw materials such as refined metals and petrochemical intermediate products. Among manufactured goods the following product catetgories have paticularly bright prospects:

INDUSTRIAL CONTROLS--PRODUCT LINES WITH MAXIMUM SALES POTENTIAL INCLUDE: Safety and relief valves; electrical industrial process temperature contolling instruments and parts; pressure draft vacuum control instruments and parts; control systems, including electronic analog and pneumatic; resistance and bimetallic temperature sensors; hydraulic power units and equipment; flow or liquid level controlling instruments; display and control receiver type instruments; electrical industrial process liquid or gas variable control instruments; PH and oxidation-reduction potential sensor; liquid level control units and switches; chlorinators; air motors; data loggers; automatic pacing/switchover systems; pneumatically actuated control valves; electric control valves for operation by signal from control device; self-operative regulator valves for temperature, pressure; AC motor control centers; indicators and trandicators; radiation pyrometers; numerical controls for metalworking and other machine tools; industrial process panel board instruments; pneumatic control valve for proportional operation; AC motor control contractors; special-purpose controls and systems; taps, cocks, valves, and parts; and materials test instruments.

LABORATORY, SCIENTIFIC, AND ENGINEERING INSTRUMENTS: Microscopes, optical and electron; oscilloscopes; X-ray apparatus for laboratories, spectrophotometers-atomic absorption; micrometers; water meters; hydrometers; gas meters; mechanical appliances for testing physical properties and industrial materials; centrifuges; laser instruments; compressibility testing machines.

COMPUTERS AND PERIPHERAL EQUIPMENT: Microprocessor computers; graphic computer systems; personal computer systems; Chinese/English line printers; flexible discs; data terminals, CRT terminals; Chinese data processing systems; keypunch units; disc products; small business computer systems; programmable data terminals.

TELECOMMUNICATIONS EQUIPMENT: Microwave radios; communications test systems, transmission test systems; telephone sets; electronic telephone sets, system noise monitors; automatic cable tester systems; computerized branch exchange; precision automatic noise figure indicators; wire wrapping and unwrapping tools; IC inserters and extractors; digital key telephone systems.

DRUGS AND PHARMACEUTICALS.

CONSTRUCTION MACHINERY AND BUILDING PRODUCTS: Air-conditioning machines, window and wall type--both under 10,000 BTU and over 10,000 BTU; air-conditioning machines, self-contained; fan blowers; hand tools; miscellaneous hardware; elevators and moving stairways; circuit breakers; switchgear assemblies and switchboards; panelboards and distribution boards; electricity meters and standard meters insulating fittings; angles, shapes and sections of iron and steel; structures and structural parts of iron and steel; cast-iron pipe and fittings; building wire and cable; asbestos products.

ELECTRONIC COMPONENTS: Integrated circuits digitalic, linear, nonlithic, and hybrid; tuners for TV receivers; semiconductors other than IC--Silicon transistors, selenium transistors, other transistors, diodes, silicon rectifiers, display including led, lcd and digital tubes, crystal valves, reactors; printed circuit boards; ferrite cores; coils; capacitors parts, variable, ceramic, for radio, polyester film, electrolytic; tubes electronic microwave, cathode ray for color TV, and electronic tubes for industrial use.

POLLUTION CONTROL EQUIPMENT: Professional engineering services in industrial/municipal water and waste water treatment; air pollution abatement equipment; environmental planning studies; filtration systems; sludge concentrating systems; chlorine analyzers; turbidmeters, conductivity meters; spectrophotometers; BOD apparatus; water quality test kits; hydragard automatic liquid samplers; filters; screens and strainers; flow recording and sampling equipment, waste water treatment systems; pressure reducing and check valves; inline separators; pulsed flourescent ambient SO_2 analyzers; chemiluminescent NO/NO_2 ambient air analyzers.

MEDICAL INSTRUMENTS AND EQUIPMENT: Spectrophotometers; clinical analyzers; double-beam spectrophotometers; vision testers; tonometers; aspirators; phacoemulsifiers; respiratory intensive care systems; flowmeters; ocutomes, fragmatones; fetal monitors; neonatal monitors; PH meters; automatic computing densitometers; sterile porcine skin dressings; X-Y recorders; transducers; patient monitors.

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